

# Indiana House of Representatives

## News and Information

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### **REP. DENNIE OXLEY'S STATEHOUSE REPORT**

INDIANAPOLIS – With major deadlines approaching in the 2005 Indiana General Assembly, this was the week where lawmakers got their first look at two of the most important issues under consideration in this year's session – the state budget and daylight-saving time.

By next Thursday (February 24), Indiana House committees must complete action on legislation filed by state representatives. The full House will wrap up action on those bills on the following Tuesday (March 1). If a House bill has not made it out of our chamber by that date, it is dead for this year.

The state budget is the most important of all the matters we consider. According to the Indiana Constitution, it is the one duty we must perform as legislators. Through the budget, we help fund our schools, provide health care, and pay for the economic development programs that help us attract good-paying jobs for Hoosiers.

In the days before they unveiled their budget plan, House Republican fiscal leaders promised they would provide a proposal that was balanced, and gave more money for education. The budget they presented in House Bill 1001 offered something completely different.

There are three problems with the House Republican budget:

**THE HOUSE REPUBLICAN BUDGET WILL CUT STATE SUPPORT FOR SCHOOLS.** Supporters claim that the budget offers more state funding for schools, but those additional funds will be channeled to only a few suburban school corporations. This budget does not give a minimum state funding guarantee, which means that as many as 244 of Indiana's 293 school corporations will see funding decreased. The budget does not fully fund deficiency payments and textbook reimbursements. By underfunding these areas, House Bill 1001 will force the vast majority of school corporations in our state to enact local property tax increases or cut programs.

**THE HOUSE REPUBLICAN BUDGET WILL INCREASE PROPERTY TAXES BY AT LEAST \$300 MILLION.** House Bill 1001 caps the amount of local property tax relief provided by the state through Property Tax Replacement Credits (PTRC), without providing another funding source for property tax relief. The PTRC provides 20 percent relief on your property taxes and is deducted from your spring and fall tax bills. By failing to provide added state support for local property tax relief and education funding, this budget will require local property taxpayers to foot more of the bill. This seems to be a complete turnaround from recent efforts to cut property taxes.

**THE HOUSE REPUBLICAN BUDGET FAILS TO PROPERLY FUND MEDICAID.** The costs of the Medicaid program, which provides health care for the elderly and disabled, are expected to grow by at least 10 percent. House Bill 1001 provides only a 3 percent increase in Medicaid funding, which is below even the 5 percent increase advocated by the governor. This means that the House Republican budget is out of balance by at least \$250 million. Supporters of the budget feel that we will avoid paying these costs simply by ignoring them. I can tell you that the federal government will make the state provide matching funds when the bills come due.

Until these problems are addressed, I cannot support House Bill 1001. I am hopeful that these concerns will be answered as the legislation works its way through the Indiana Senate. With more than two months to go in the 2005 session,

there is plenty of time to correct these flaws and enact a budget that helps Hoosiers, rather than hurt them.

Next to the state budget, daylight-saving time has generated the most phone calls and mail from my constituents. This week, the House Commerce, Economic Development and Small Business Committee approved House Bill 1034, which would bring daylight-saving time to the entire state, but final approval of this bill is far from certain.

Explaining time in Indiana is difficult, but here goes. In our state, 82 of the 92 counties are in the Eastern Time Zone, but 77 do not observe daylight-saving time. Five counties in Southeast Indiana near Cincinnati and Louisville are in the Eastern Time Zone and do observe daylight-saving time. Five counties in Northwest Indiana and five in Southwest Indiana are in the Central Time Zone and observe daylight time.

House Bill 1034 would impact those 77 counties in the Eastern Time Zone, but nothing about this situation is easy. There are strong voices on both sides of this issue, and for everyone who believes that the change will improve our state's economy, there are equal numbers who feel that it will wreak havoc with the lives of families. Then there are those who believe that Indiana should be in the Central Time Zone, which is a decision that would have to be made at the federal level.

While Indiana's time zones are a source of constant amazement for people who live outside our borders – like the creators of "The West Wing," who devoted a whole TV show to it – it is an issue that draws very passionate responses. Daylight-saving time has been debated at least 24 times in the past 30 years. It did pass on one occasion, only to be thrown out a year later.

This certainly will be one issue on which I will rely upon the views of the people in my district to make my final decision. Please let me know your feelings by contacting me through the toll-free Statehouse telephone number of 1-800-382-9842, e-mailing me through my Internet Web site at [www.IN.gov/H73](http://www.IN.gov/H73) or writing to me in care of the Indiana House of Representatives, 200 W. Washington St., Indianapolis, IN 46204.

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